

Outlook

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Inside:

Insurers Fleece The
Public Consumer
Groups Say



Qui Tam in the
Pharmaceutical
Industry



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Brain Injury and Motorcycle Accidents

One of the most common causes of brain injury is being involved in a motorcycle accident. According to the National Highway Traffic Safety Administration (NHTSA), fatal motorcycle crashes have risen 50% since the late 90's. This has resulted in an approximate 3,181 crashes last year.

Aside from the very real possibility of being killed in a motorcycle accident, one of the most common outcomes of these accidents is some form of brain injury. For this reason we always recommend that you wear a helmet when riding a motorcycle, but surprisingly, sometimes the helmets available in the market won't provide the protection you need. Here is a little information designed to help you pick a helmet that will protect you in the event of an accident.

Approved Helmets

The United States Department of Transportation (DOT) has researched helmet safety in conjunction with the National Highway Safety Administration.

From this research a set of standards and specifications for helmet production has been created. Manufacturers need to adhere to these standards or they cannot gain the DOT seal of approval on their helmets.

This DOT seal of approval is something to look for when shopping for motorcycle helmets, as not all helmets will have one.

DOT works in conjunction with the Federal Motor Vehicle Safety Standard (FMVSS) 218. This act covers helmet laws on the road, which we reviewed earlier.

Finally, the SNELL Foundation is a worldwide leader in helmet safety standards, offering motorcycle helmet reviews on their web site. This is a great way to find out what brands comply with international and national helmet safety standards and helmet laws.

Look for the Label

Finding a DOT symbol on your helmet means that you have found the highest quality motorcycle helmet available.

Look for the label that will provide vital information, like manufacturer brand, model designation, size, date of manufacture and the DOT symbol.

The DOT label means that many safety precautions have been considered upon the manufacturer of your motorcycle helmet. For instance, you will find 1 inch of polyfoam inner lining, a riveted chin strap, and limited protrusions on the outside of the helmet.

Become a well informed consumer with this guide to top helmet safety standards from DOT and the SNELL Foundation.

Insurers Fleece the Public Consumer Groups Say

Consumers are paying too much and getting too little from their property insurance at a time the industry is enjoying major profits according to consumer groups. The average American household was overcharged an average of \$870 per household over the past four years. Meanwhile the insurance industry took in nearly record profits in 2007 of about \$65 billion. And that is after taxes.

Consumer Federation of America (CFA) is a watchdog organization that used the insurance industry's own data and financial statements to come to these conclusions. The group was joined by several state and national consumer organizations in issuing its report (complete report available at http://www.consumerfed.org/pdfs/2008_INSURANCE_RELEASE_FINAL.pdf). Over a three year period from 2004 to 2007 the industry recorded profits at more than \$253 billion.

Robert Hunter, the director of insurance for CFA is the author of the study. "Consumers ultimately pay the price for the unjustified profits, padded reserved and excessive capitalization that exist right now in the insurance industry" he says. Hunter is also an actuary, a former state insurance commissioner and worked as a federal insurance administrator. The insurance industry says his numbers are wrong.

Bob Hartwig, president of the Insurance Information Institute, tells the St. Petersburg Times that if all of the costs associated with writing an insurance policy had been considered, the numbers would show that the industry actually paid out more in claims than it took in. But the CFA report shows that the trend is for insurers to pay out less in claims.



Twenty years ago insurers paid out about 72 cents of every \$1 of premium. In 2007, the payout is down to 55 cents for every dollar. There have been no major natural disasters that would account for that.

The report concludes, "Insurance is a Low-Risk Investment" when compared to the stock market. While the common misperception is that the insurance industry amasses wealth through charging premiums, the industry actually invests that money in financial markets. Hartwig says the industry is investing heavily in bonds but at the same time has access to its money in case of a natural disaster.

The largest ever loss by the insurance industry was Hurricane Katrina, which represented an after-tax loss of \$26.7 billion. The September 11th attacks amounted to half of that loss or two percent of the industry's surplus.

Even with those catastrophic losses, the industry is over capitalized; the report says and is confirmed by the Insurance Information Institute (III) estimated to be as much as \$100 billion. But Hunter says the industry reaped record profits in 2004 and 2005, the years of significant hurricane activity. The 2006 and 2007 profits "rose to unprecedented heights and 2007 may set a fourth consecutive profit record," according to Hunter.

In order to protect consumers, the report urges the industry to rely on factors other than credit score of employment to ascertain premiums. The industry to stop denying full payment of legitimate claims, a practice resulting from computer-based claims

Insurers... *continued on back cover*

Qui Tam in the Pharmaceutical Industry

It was Albert Einstein who said, "The world is a dangerous place, not because of those who do evil, but because of those who look on and do nothing." Unknowingly, Einstein was describing the most important principles of qui tam, a little known law that allows moral people to flush out corruption.

Qui tam, a provision of Abraham Lincoln's 1863 Federal Civil False Claims Act, allows a private citizen to file a lawsuit on behalf of the U.S. government in an effort to recover losses caused by fraud against the government. The law is an incentive for civilians who know of individuals or companies making false claims for profit to come forward with information. In reward, the "whistleblower" (also known as the relator) shares in any federal revenue recovered. In recent years, whistleblowers have been filing more and more qui tam lawsuits against the pharmaceutical industry.

Like all companies, pharmaceutical manufacturers keep a close eye on the bottom line. For drug companies to succeed, they need the help of doctors to prescribe their medications. A dangerous game sometimes ensues, as drug makers occasionally use dubious tactics to sell their products. In the end, it is the patient and government health care programs such as Medicare and Medicaid that end up suffering.

One of the ways a few drug companies have attempted to increase sales is by influencing physicians to prescribe a drug "off-label." Under federal law, a doctor may prescribe a medication for any ailment that he or she feels the drug is suitable for. However, it is illegal for a pharmaceutical company



to actively promote a medication for off-label use (an indication not approved by the U.S. Food and Drug Administration). Critics of the system say that some drug company sales representatives commit a form of bribery to encourage off-label use of a medication. Federal statutes prohibit anyone from bribing another to choose a certain vendor who is paid by a U.S. healthcare program. Unfortunately, kickbacks are often extremely lucrative and sometimes hard for a physician to ignore. Examples include the following:

- Free Samples-Sales representatives supply a physician with free samples of a medication, which the doctor then proceeds to sell to the patient for hundreds of dollars. A doctor may also give a patient a free coupon to turn in for a sample of a medication. The transaction is reported as a sale for the company.

- Speaking Engagements - Sales representatives may hire a physician to speak at a formal engagement. Sometimes the doctor ends up never speaking at the event but still receives money.
- Retreats - Physicians are treated to expensive dinners and vacations at lavish accommodations in return for choosing a drug company's medication.
- Grants - Doctors may receive a "grant" from a pharmaceutical maker under the guise that it is for research purposes when in actuality it is a payoff for their business.
- Drug Trials - Physicians are paid to conduct a clinical trial for a medication. It serves no purpose other than helping the drug maker further promote the medication.

Qui Tam... *continued on back cover*

